



GVS SPA

NOVEMBER 2020

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Pursuant to art. 154-bis, paragraph 2, of the Italian Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at GVS S.p.A. declares that the accounting information contained herein correspond to document results, books and accounting records.

Agenda

1

YTD Sep 2020 Outlook

2

Company Presentation

Appendix: Additional Materials

UPDATE ON GVS BUSINESS

- 
- 1 **Automation** of the new 41 Lines
 - 2 Start **BP and Budgeting** process
 - 3 Launch of **new RNA extractor** for Covid testing
 - 4 Restart of **new product** launch process
 - 5 New Commercial offices in **India and Malesia**
 - 6 Negotiation with local governements about **contracts for 2021.**
 - 7 **Hospitals direct sales** for face masks (FFP3) supplies.
 - 8 **Rump up** to cover the E&M restart.
 - 9 **Puerto Rico Integration** process.

YTD Sep 2020 GVS Performance Highlights

Sales: 49,6% of growth on the previous year

- Q3 reflected the full impact of the actions put in place to face the business acceleration due to the Covid 19 already started in Q2.
- Trend FY2020 higher than the guidance given in May with an expecting closing at 350 M€.

EBITDA: 40% of Adjusted EBITDA Margin on Sales

- 31,5% of EBITDA margin in Q1,
- 42,0% of EBITDA margin in Q2
- 43,7% of EBITDA margin in Q3.

NFP: 1,2 M€ of YTD NFP.

- 74,5 M€ of net cash in from the IPO capital increase.
- 10,5 M€ of cash out for two M&A operations: Graphic Control 3,5 M€, Haemonetics PR 7 M€
- Right of Use about 9 M€, so we are actually cash positive.

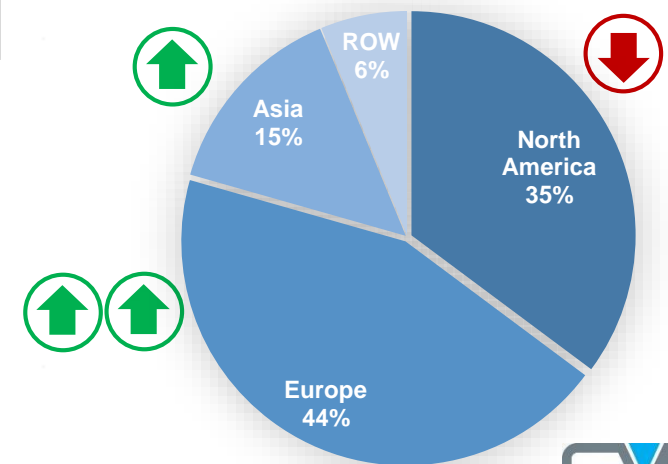
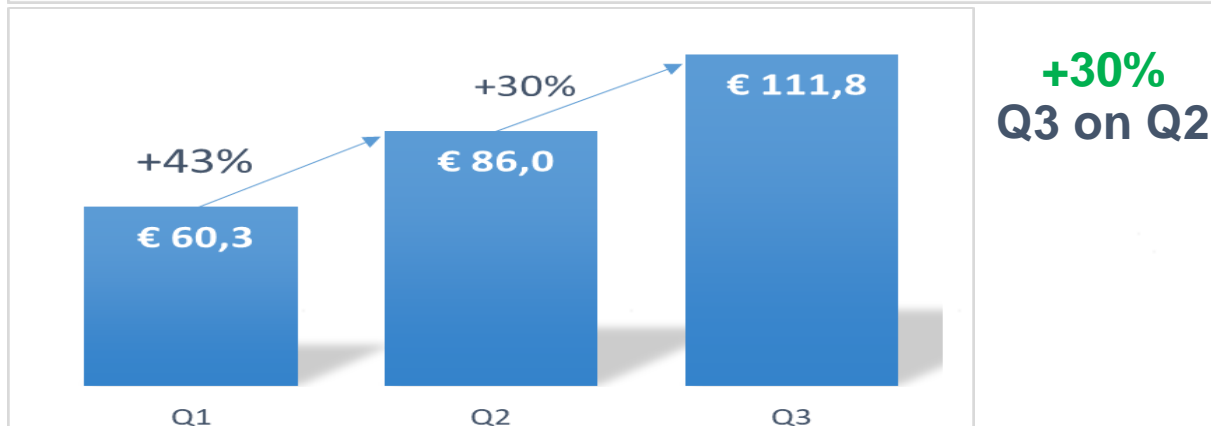
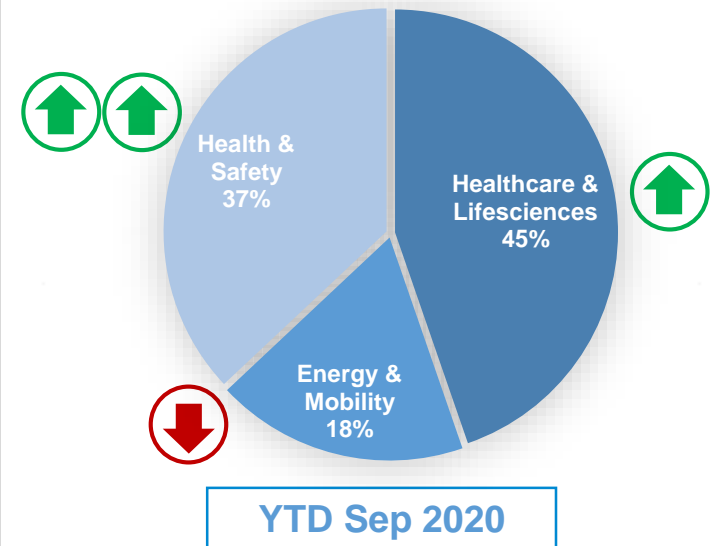
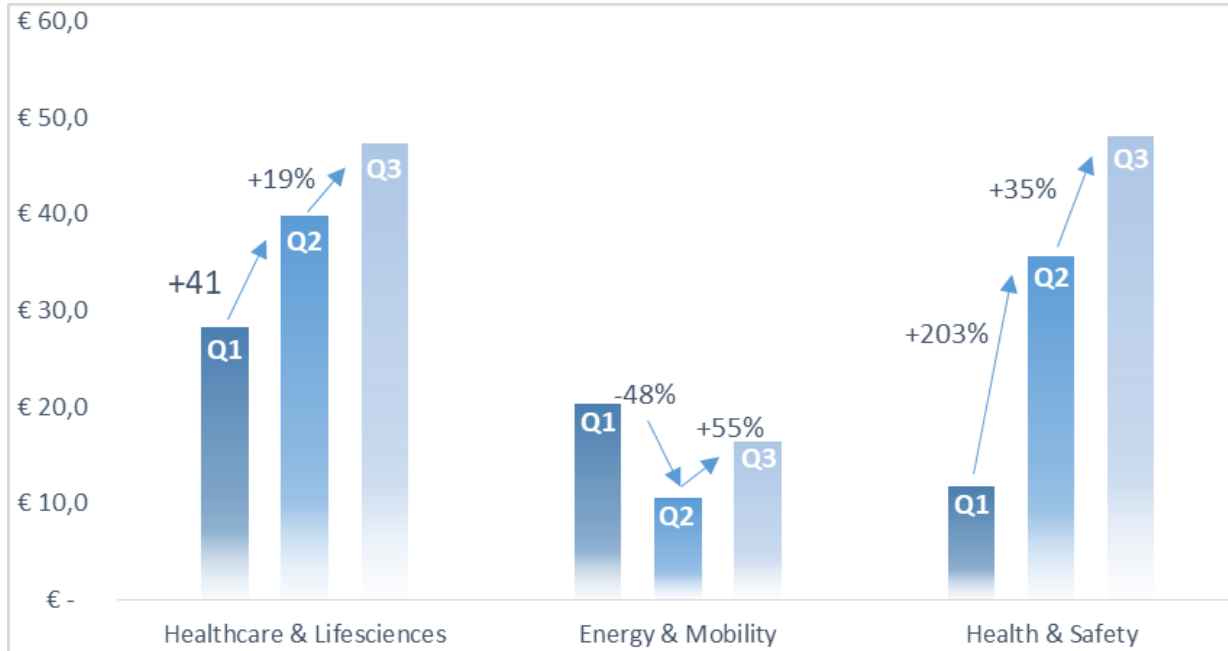
Leverage KPI: Debt/Equity 0 and NFP/EBITDA 0

- The two key financial KPI are coherent with expectations.

2020 EVOLUTION OF SALES

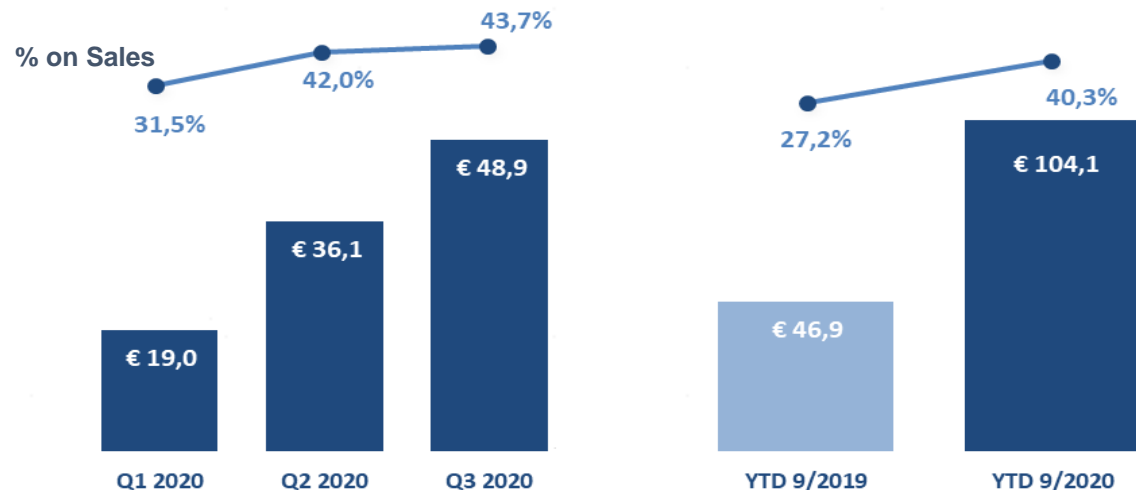
TOTAL SALES YTD Sep 2020: 258,2 M€

All the three GVS Divisions performed better than the original guidance. Health & Safety is still growing in terms of relative weight on the total business as well as the Healthcare & Lifesciences.

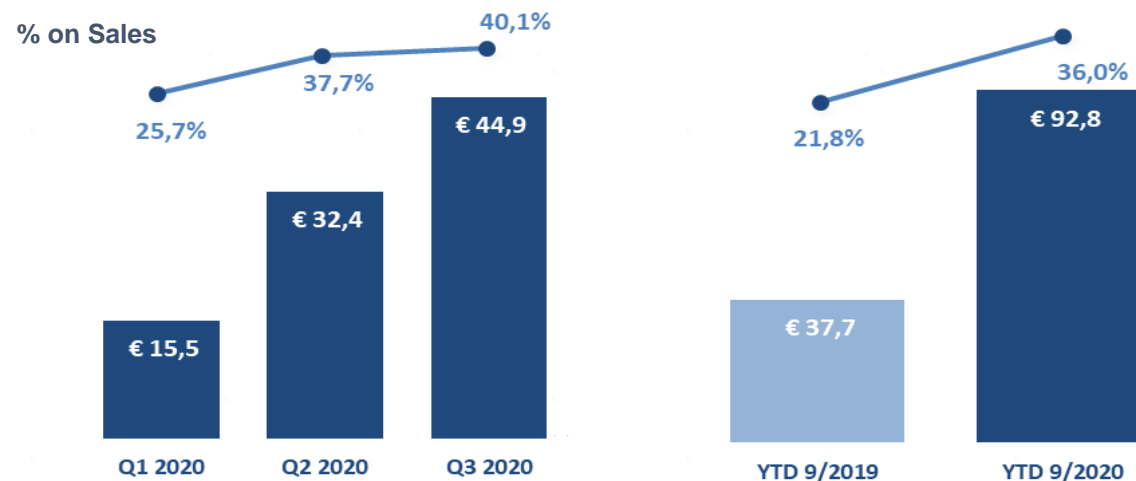


Key Financial Highlights — EBITDA and EBIT

ADJUSTED EBITDA¹ (€M)



ADJUSTED EBIT² (€M)



KEY COMMENTS

Adjusted EBITDA:

- Adjusted EBITDA increased 35% in Q3 compared with Q2.
- YTD Sep 2020 adjusted EBITDA increased 122% vs. the same period of 2019.

Adjusted EBIT:

- Adjusted EBIT has been adjusted for PPA related amortization and other non-recurring income and costs for comparability purposes
- Adjusted EBIT increased 38,5% in Q3 compared with Q2.
- YTD Sep 2020 adjusted EBIT increased 146% vs. the same period of 2019.

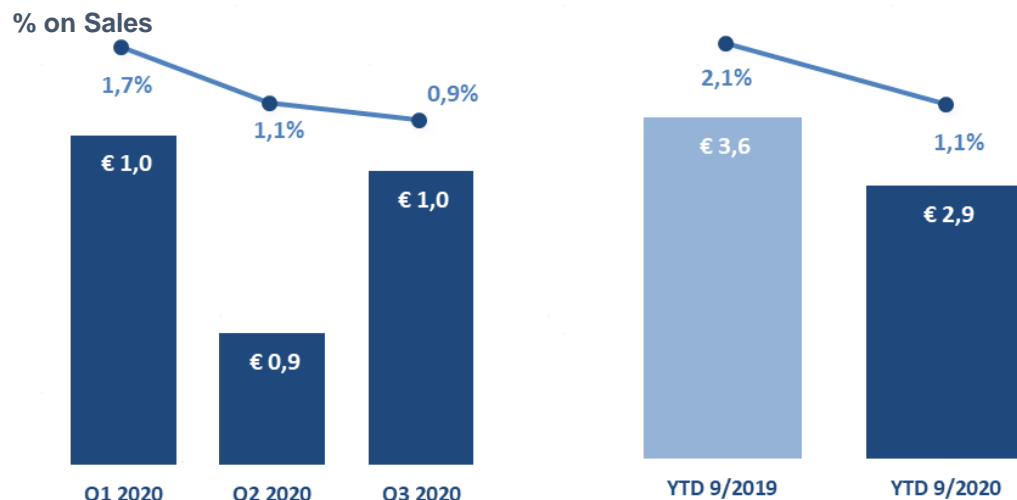
Note: margins calculated on revenues from contracts with customers excluding other income. Please refer to Appendix for further details on adjustments

1. Adjusted for non recurring costs / income;

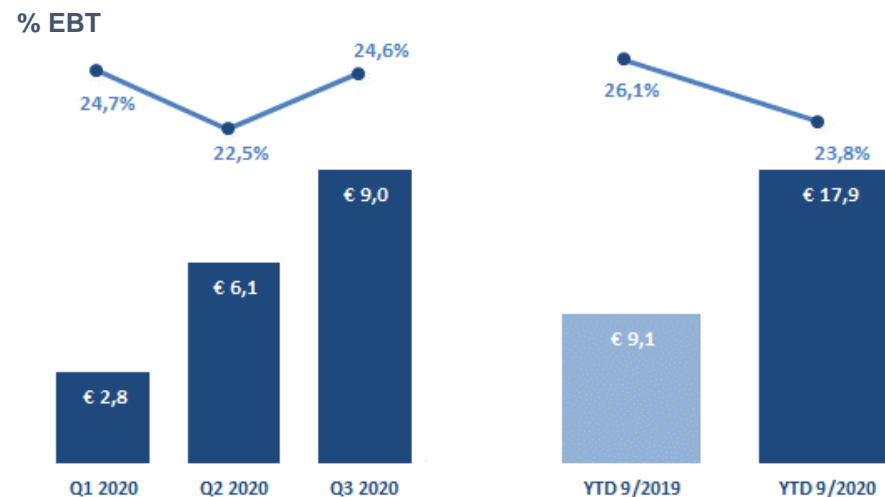
2. Adjusted for non recurring costs / income and PPA related amortization.

Key Financial Highlights — Net Income, Fin. Exp. & Taxes

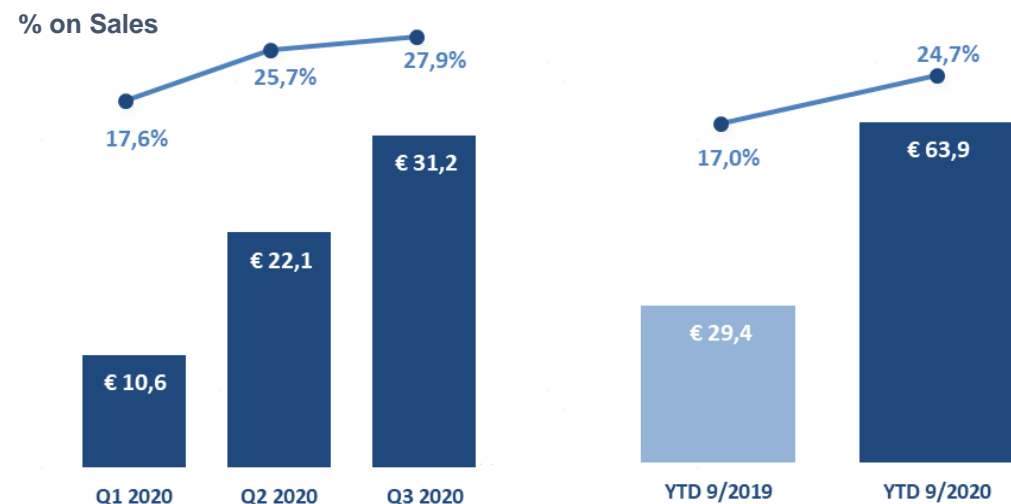
NET FINANCIAL EXPENSES EXCL. FX GAINS/LOSSES (€M)



TAXES (€M)



ADJUSTED GROUP NET INCOME¹ (€M)



KEY COMMENTS

- Net Financial expenses is reducing in 2020 as a result of the NFP reduction.
- Final effect of the effective tax rate (calculated as percentage of EBT) will be confirmed at the end of the year.
- Adjusted Group Net Income increased 41% between Q3 and Q2, with a 119% improvement in profitability YoY.

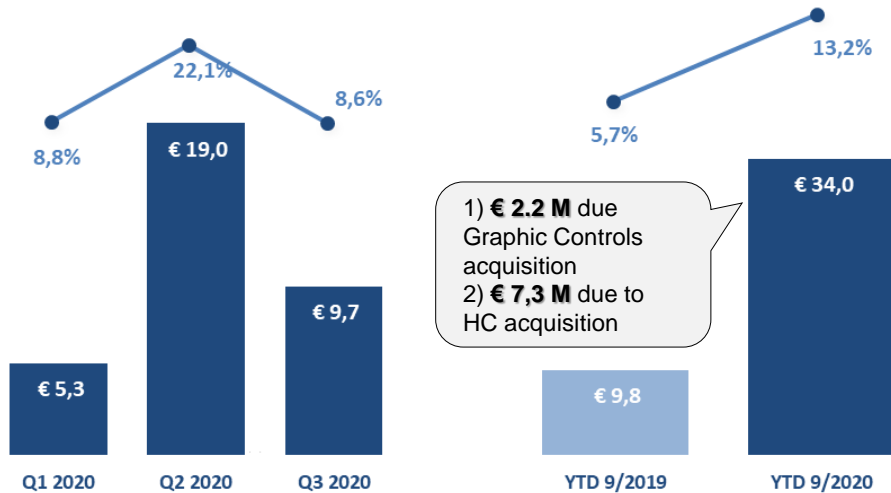
Note: margins calculated on revenues from contracts with customers excluding other income. Please refer to Appendix for further details on adjustments

1. Adjusted for non-recurring costs / income and relative fiscal impact, PPA related amortization and related fiscal impact and alignment of tax rates due to fiscal reforms.

Key Financial Highlights — CapEx, TWC and R&D

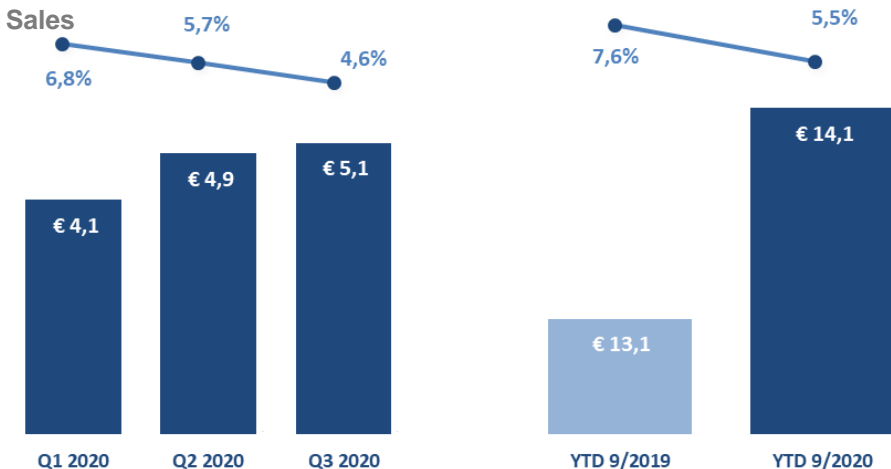
CAPEX¹ (€M)

% on Sales



R&D² (€M)

% on Sales

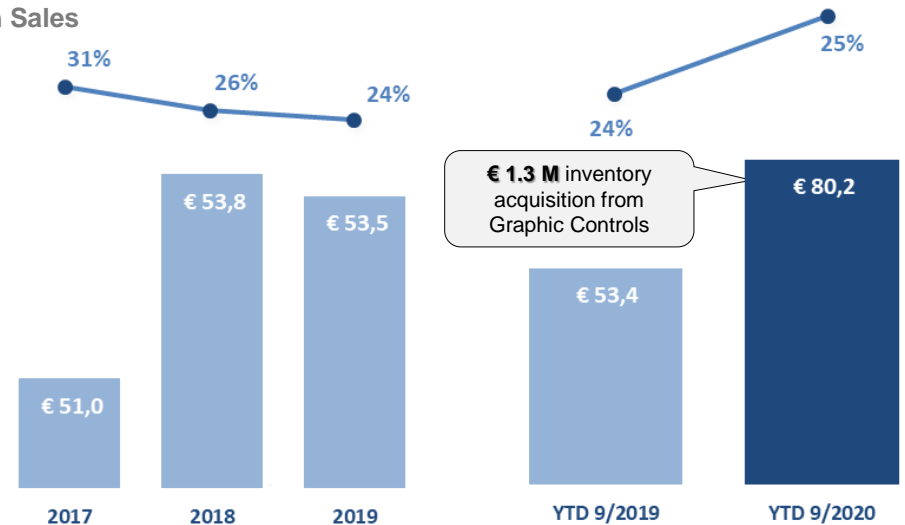


Note: Capex and R&D % of revenues calculated on revenues from contracts with customers excluding other income

1. Exclude investments in financial assets; 2 Includes R&D expenses included in income statement and capitalized costs

TRADE WORKING CAPITAL (€M)

% on Sales

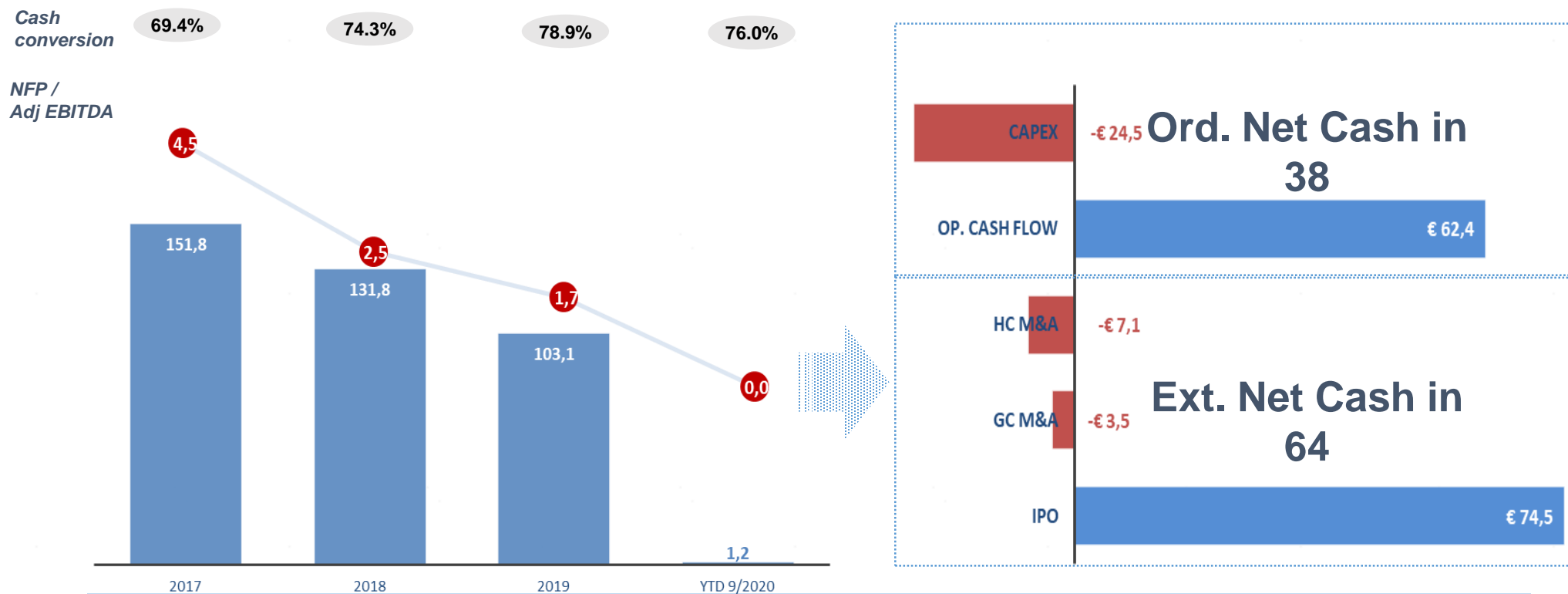


KEY COMMENTS

- About 9,5 M€ as Capex related to M&A, 26,1 M€ as Gross Capex related to the new production lines (without considering any customer contribution c.4M€)
- 10M€ Net Capex growth compared with the same period of the previous year
- TWC is increasing on year end 2019 due to the sales increase
- GVS is increasing the R&D investment even if the % incidence on sales reduced to c. 5,5% due to the strong increase of the total sales.

Key Financial Highlights — Net Financial Position

NET FIN. INDEBTEDNESS (€M) AND CASH CONVERSION¹



KEY COMMENTS

NFP has decreased YTD Sep 2020 down to 1,2 M€, **102M€** less than year end 2019:

- M&A and IPO generated a net cash in about **64 M€** as net cash in from extraordinary activities.
- Operative Cash flow less Capex generated **38 M€** in the period.

Cash Conversion will still improve in last quarter as usual, due to the traditional concentration of CapEx cash out in the first half.

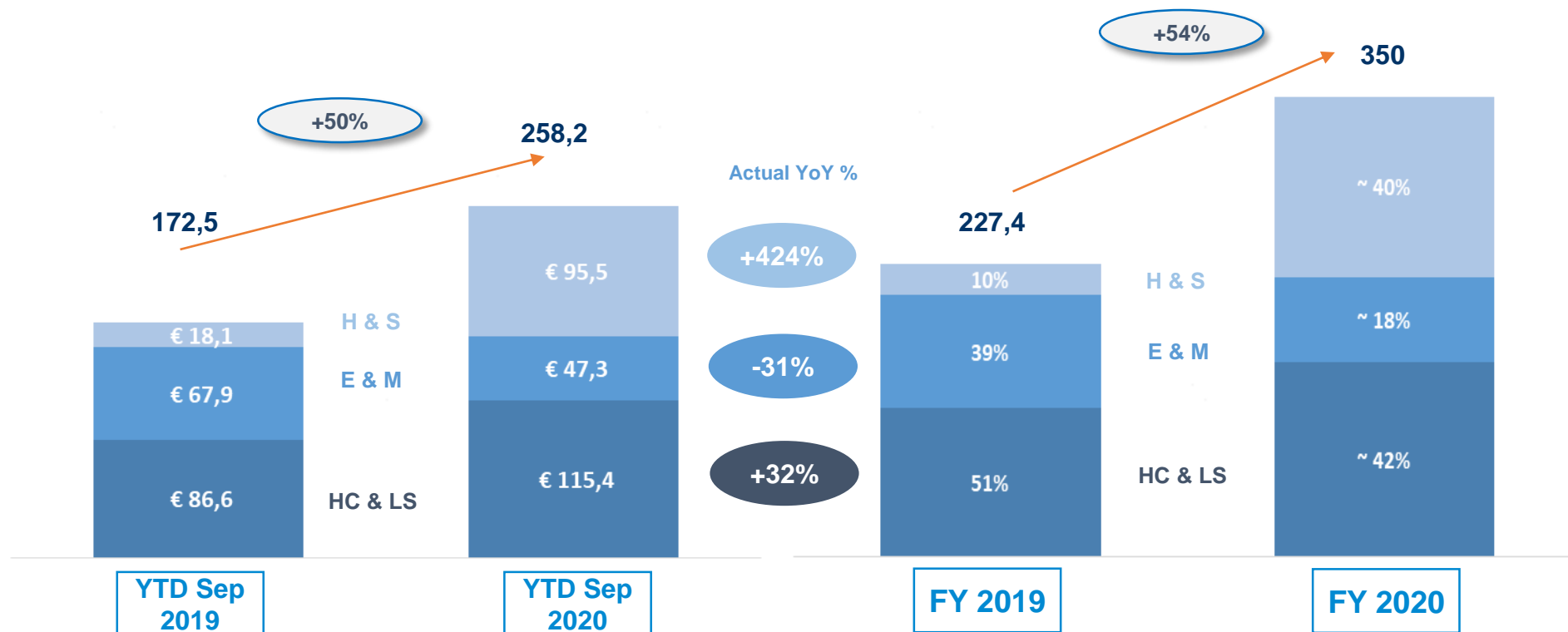
1. Cash conversion calculates as (Adjusted EBITDA- Ordinary Capex)/Adjusted EBITDA). Capex exclude M&A investments.

VISIBILITY ON FY 2020 PERFORMANCE

YTD Sep Results (€m)

FY 2020 Guidance (€m)

FY 2020 expected sales are higher than the last guidance and the expected closing should be about 350 M€, with the actual order book about 195M€



FY 2020 Adj EBITDA Margin in line with the YTD result.

Note: Division and sub-division figures rounded to first decimal point

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Company Presentation

Appendix: Additional Materials



FILTER TECHNOLOGY

COMPANY PRESENTATION



HEALTHCARE & LIFE SCIENCES

THE ONLY WAY TO SAY FILTRATION



ENERGY & MOBILITY



HEALTH & SAFETY

Key People



**Massimo
Scagliarini**

35 years in GVS
CEO

- In GVS since 1985, started as Sales Manager and currently serves as CEO
- Holds a diploma in Accounting



**Mario
Saccone**

23 years in GVS
CFO

- MBA from Profingest Management School, Bologna, Italy
- MSc in Economics from University Federico II, Naples



**Matteo
Viola**

11 years in GVS
COO

- In GVS since 2008, started as controller and currently serves as COO
- MSc in Economics from University of Parma



**Marco
Scagliarini**

35 years in GVS
**VP Energy &
Mobility**

- Held several managerial position in GVS
- Currently CEO of GVS Real Estate



**Luca
Zanini**

20 years in GVS
**VP Healthcare &
Life Sciences**

- In GVS since 2000
- Previously a sales manager in Comar Condensatori and in SMS srl where he started his career



**Pierre
Dizier**

6 years in GVS
**VP Health &
Safety**

- MSC in International Business and Finance from Université de la Méditerranée (Marseille)
- Previously worked for JSP Ltd

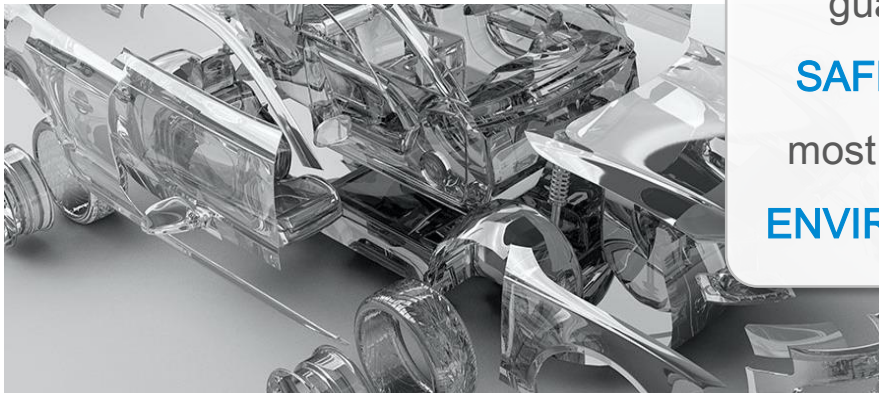


**Luca
Querzè**

22 years in GVS
**Research &
Development VP**

- In GVS since 1998 covering different managerial roles
- MSc Engineering from University of Bologna, MBA from Profingest, Bologna

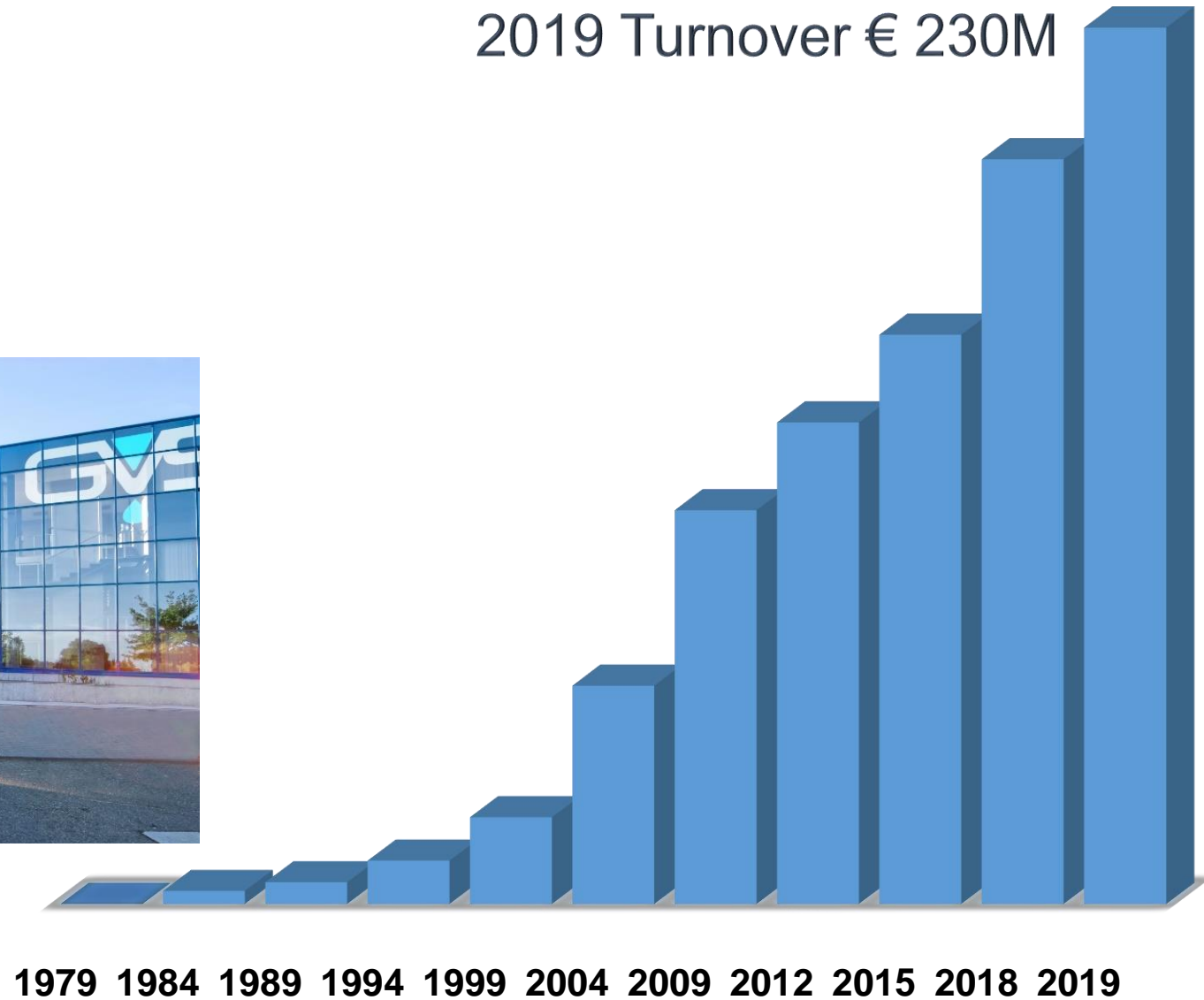
GVS provides advanced filtration solution for critical application in Highly-regulated end markets



Our
TECHNOLOGY
supports **LIFE** and
guarantees
SAFETY in the
most **CRITICAL**
ENVIRONMENTS

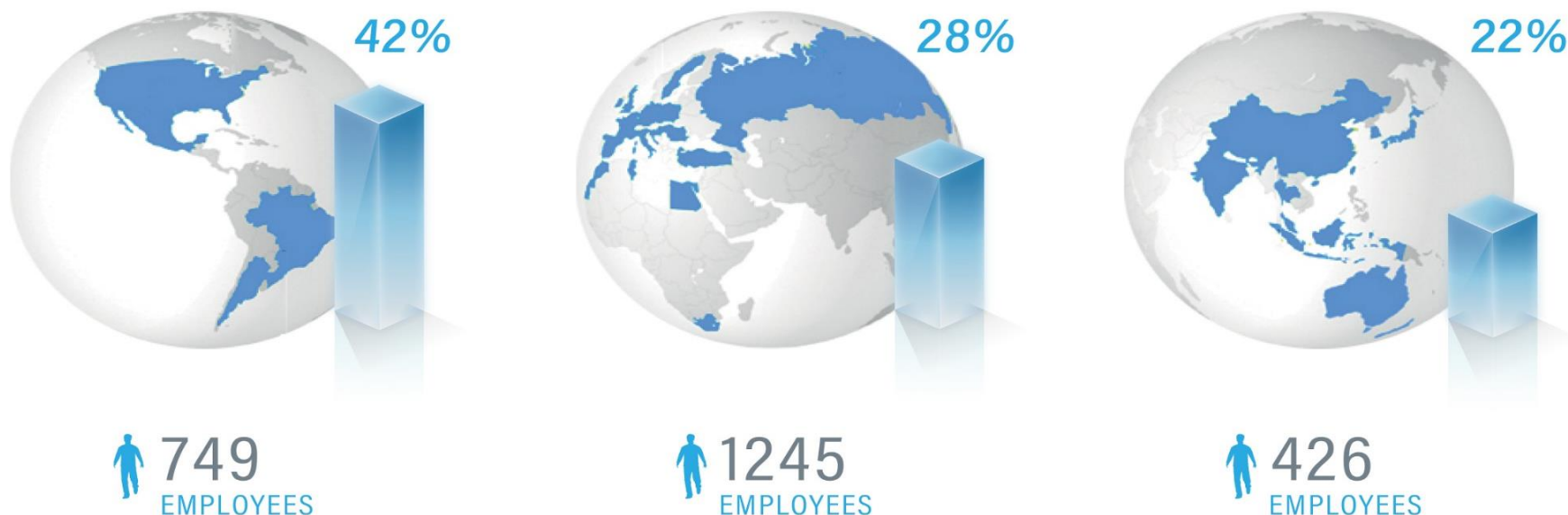
GVS economic and production improvement over the last 40 years

2019 Turnover € 230M

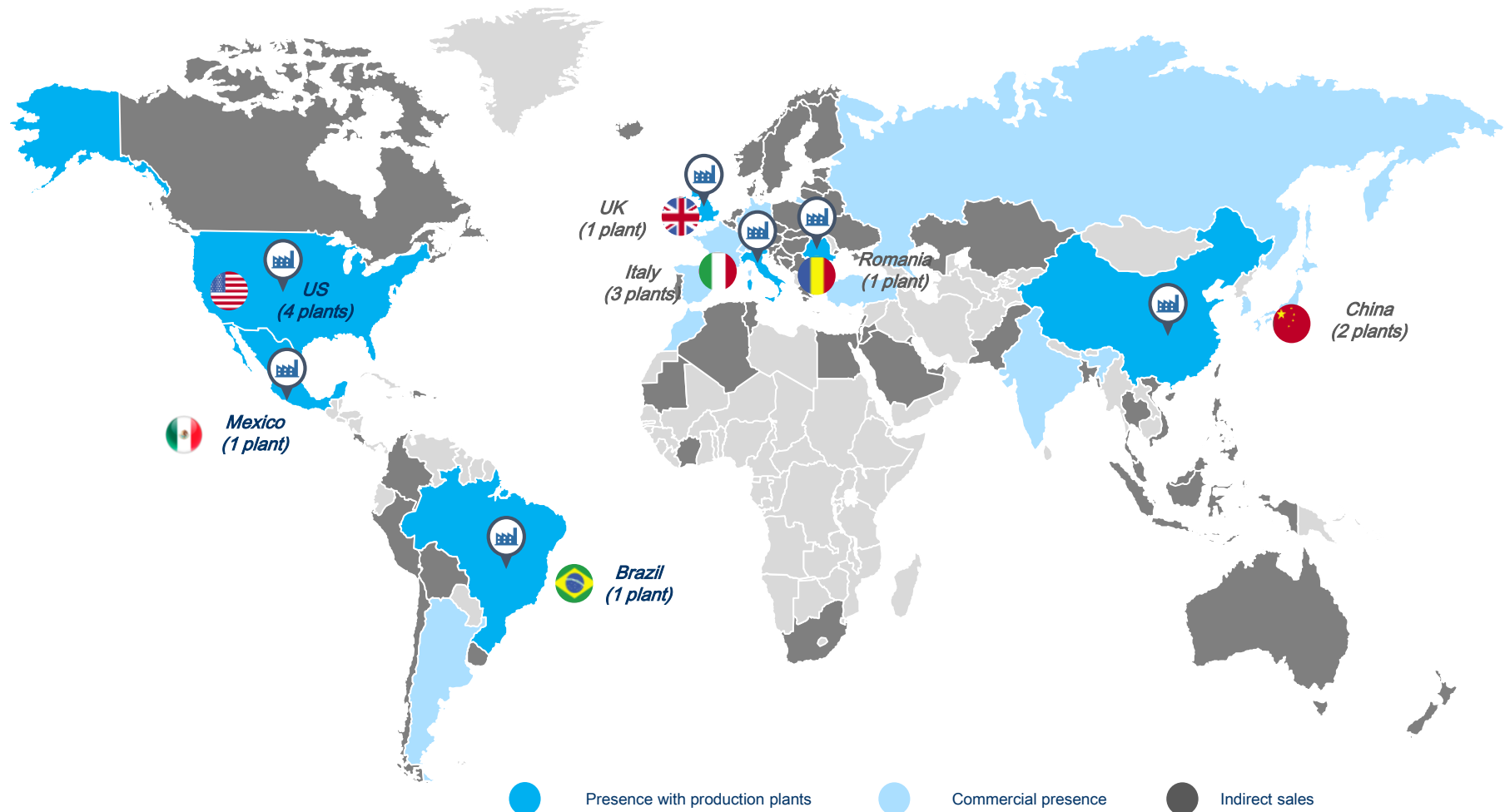


The Head Office and 3 manufacturing facilities are based in Italy

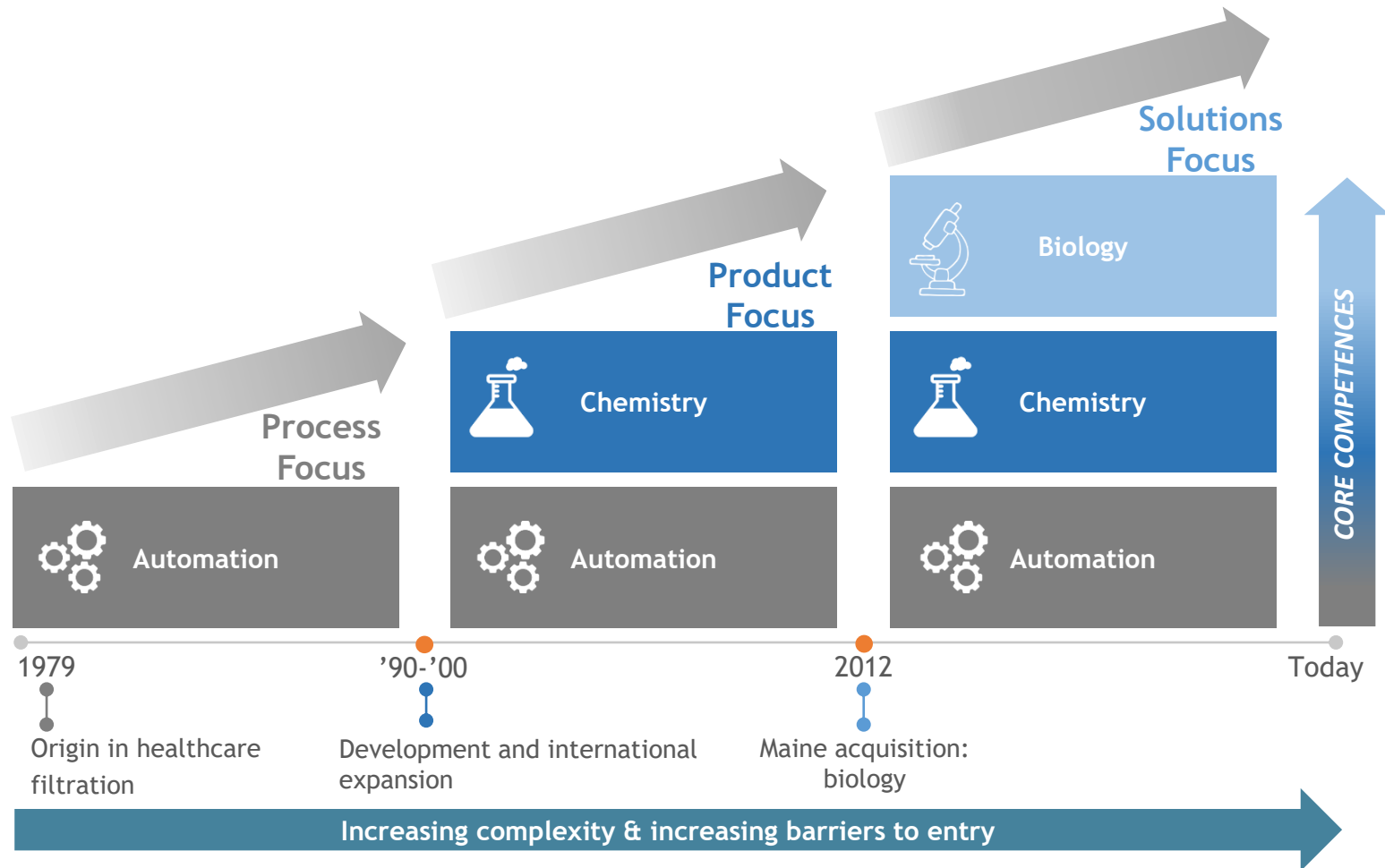
REVENUES BREAKDOWN BY GEOGRAPHY3 - 2019A



GVS has 13 production facilities, in several worldwide locations.

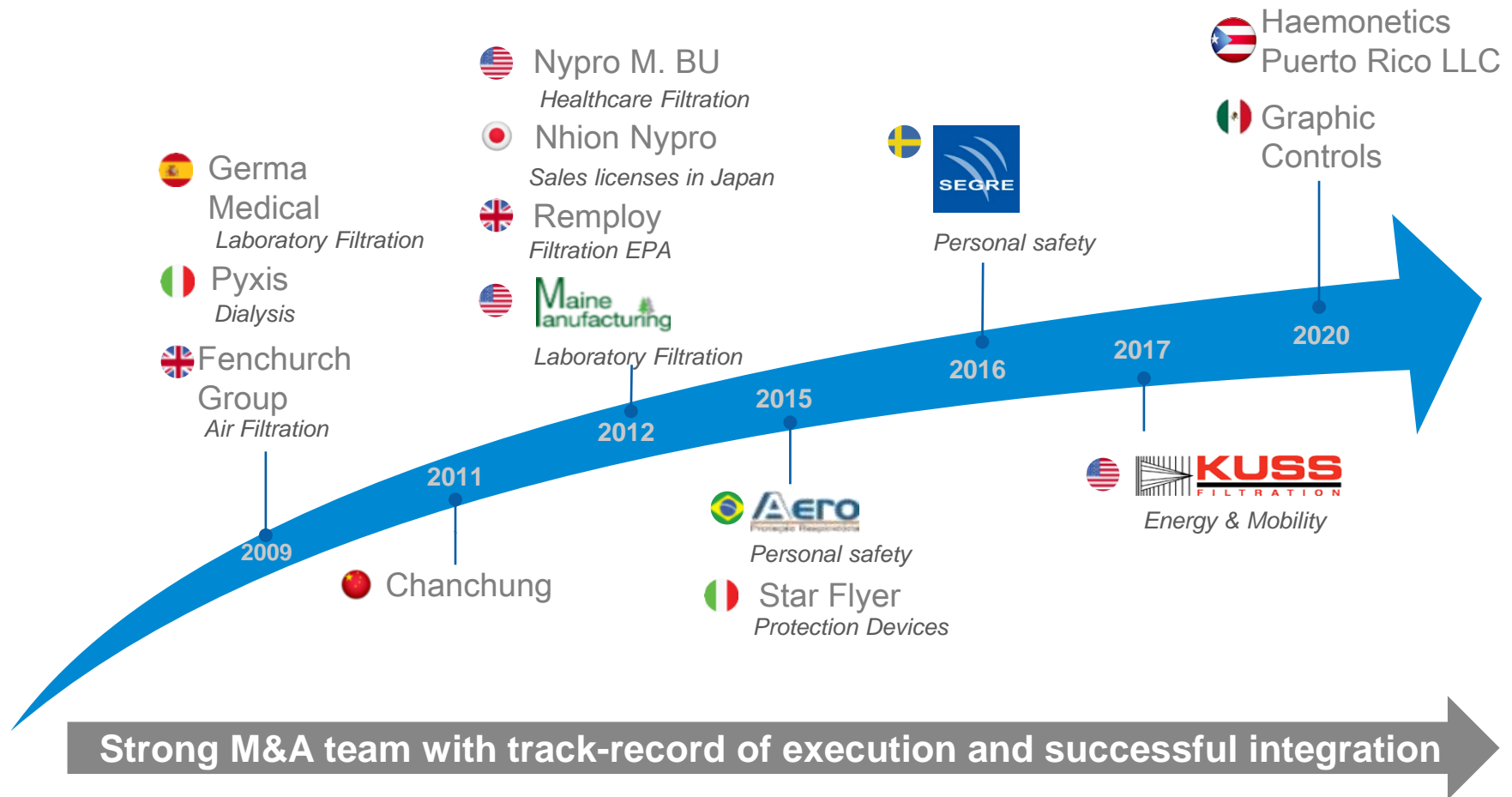


GVS evolved from a small healthcare components supplier into a global diversified filtration group



14 M&A TRANSACTIONS SINCE 2009

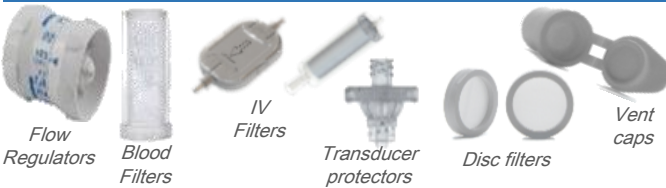
Adding capabilities and strengthening presence across China, the UK and North America



Divisions and Products Line

Healthcare & Life Sciences

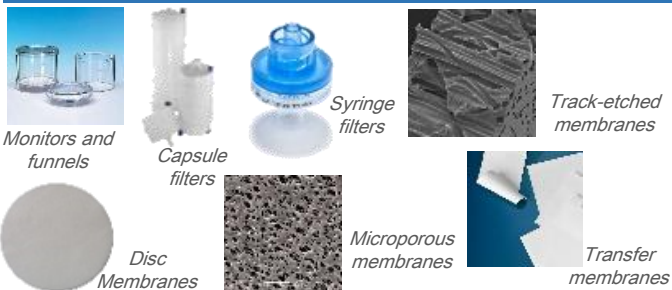
➤ Healthcare & Liquid



➤ Healthcare Air & Gas



➤ Laboratory



Health & Safety

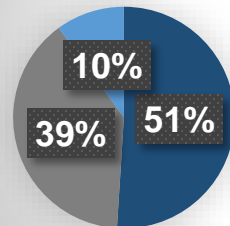
➤ Personal Safety



➤ Air Safety



Sales



- Healthcare & Life Sciences
- Energy & Mobility
- Health & Safety

Energy & Mobility

➤ Powertrain & Drivetrain









➤ Safety & Eletronics



➤ Sports & Utility



Diversified blue-chip client base

Division			2019A Revenues Breakdown ¹ (%)	Illustrative example of companies requiring filtration solutions ²	
End Markets	Healthcare & Life Sciences	Healthcare Liquid and Healthcare Air	43%		
		Laboratory	8%		
	Health & Safety	Personal Safety	6%		
		Air Safety	4%		
	Energy & Mobility	Powertrain & Drivetrain and Safety & Electronics	28%		
		Sports & Utilities	11%		

Over 4,600 customers, long-tenured relationship with top clients

1. Excluding €3.2m other income not attributable to single categories; 2. Most of them are GVS clients.

GVS's divisions differentiate for an integrated and highly synergistic business model

Healthcare &
Life Sciences

Healthcare
& Safety

Energy &
Mobility

» Sales and Distribution

» Similar stringent approval processes

» Common Manufacturing processes and technologies

» High quality standards required

» Shared R&D activities

Our success is based on strong focus on innovation and customer satisfaction

7

R&D centers with
chemical and biological
know-how



~8%

Of sales
in R&D



52

Patents for proprietary
products



105

Highly skilled R&D
professionals



~80

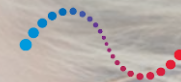
External quality audits
p.a.



International quality certificates and awards



Preferred Supplier



Quality Certification

GVS has obtained several Quality Certification, from several Certification Body

Kiwa Cermet Italia S.p.A.
Società con socio unico,
soggetta all'attività di
direzione e coordinamento di
Kiwa Italia Holding Srl
Via Cadriano, 23
40057 Granarolo dell'Emilia
(BO)
Tel +39.051.459.3.111
Fax +39.051.763.382
E-mail: info@kiwacermet.it
www.kiwacermet.it

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certification bodies, is the largest provider of management
System Certification in the world.
composed of more than 30 bodies and counts
over 150 subsidiaries all over the globe.

CISQ AUTOMOTIVE
Consorzio di Organismi di
Certificazione Italiani dei
sistemi di gestione aziendale
accreditato IATF



An ESG-compliant organization



ENVIRONMENTAL

- 1
 - UNI EN ISO 14001 certification for Environmental Management System (EMS) achieved by the majority of GVS plants and in progress for the remaining ones
 - Group environmental policy with annual objectives
 - Local for local production strategy to reduce transportation-related pollution
 - Constant effort in reducing the use of polluting materials
 - Sustainable packaging



SOCIAL

- 2
 - Support of a range local charitable and non-profit organizations
 - In recent years, in lieu of Christmas gifts, GVS has made donations to Associazione Nazionale Tumori and Save the Children
 - Collaboration with Schools and Universities
 - Occupational Health and Safety certification OHSAS 18001 achieved by Italian and Romanian plants



Save the Children



GOVERNANCE

- 3
 - Ethics Code
 - Board of Statutory auditors with 3 members guaranteeing protection of shareholders' rights
 - Supervisory board overseeing and controlling the governance system
 - Internal approval procedure with segregation of duty

Agenda

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H1 and FY 2020 Outlook

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Company Overview

Appendix: Additional Materials

Key Financial Highlights — Income Statement

YTD 30/09 (€m)	YTD Sep 2019A	YTD Sep 2020A	Var. %
Healthcare & Life Sciences	86,6	115,4	33%
Growth %			
Energy & Mobility	67,9	47,3	-30%
Growth %			
Health & Safety	18,1	95,5	427%
Growth %			
Revenues from contracts with customers	172,6	258,2	50%
Other Income	2,1	1,2	
Total Revenues	174,7	259,3	48%
Raw Materials	(52,0)	(61,4)	
Personnel	(55,8)	(71,5)	
Cost of Services	(17,4)	(25,8)	
Other Costs	(2,8)	(2,2)	
EBITDA	46,7	98,4	111%
Margin (%)	27%	38%	
Non recurring costs (income)	0,3	5,6	
Adjusted EBITDA	46,9	104,1	122%
Margin (%)	27,2%	40,3%	
D&A and write-offs	(12,2)	(14,1)	
o/w PPA related amortization	(2,9)	(2,9)	
EBIT	34,5	84,3	145%
Margin (%)	20%	33%	
Adjusted EBIT	37,7	92,8	147%
Margin (%)	21,8%	36,0%	
Net Financial Expenses net of FX gains/(losses)	(3,6)	(2,9)	
FX gains/(losses)	4,8	(6,3)	
EBT	35,7	75,1	110%
Margin (%)	20,7%	29,1%	
Taxes	(9,1)	(17,9)	
o/w Non recurring inc./cost tax effect	(0,4)	(1,8)	
Net Income	26,6	57,2	115%
Margin (%)	15,4%	22,2%	
Adjusted Net Income	29,4	63,9	117%
Margin (%)	17,0%	24,8%	

Note: margins calculated on revenues from contracts with customers excluding other income

Key Financial Highlights — Adjustments Overview

YTD 30/09 (€m)		YTD Sep 2019A	YTD Sep 2020A
Non recurring costs (income)	EBITDA	46,7	98,4
	Capital gains from sale processes and leaseback	(0,3)	-
	Start-up costs	0,2	-
	Write-off of tax receivables	0,1	-
	Personnel reorganization costs	0,1	0,3
	Transaction costs	-	0,3
	IPO costs	-	5,0
Adjusted EBITDA		46,9	104,0
Margin (%)		27,2%	40,3%
EBIT		34,5	84,3
Non recurring costs (income)		0,3	5,6
PPA related amortization		2,9	2,9
Adjusted EBIT		37,7	92,8
Margin (%)		21,8%	36,0%
Group Net Income		26,6	57,2
Non recurring costs (income)		0,3	5,6
PPA related amortization		2,9	2,9
Fiscal impact of amortization of intangible assets recorded under the PPA method & non recurring		(0,4)	(1,8)
Adjusted Group Net Income		29,4	63,9
Margin (%)		17,0%	24,8%

Note: margins calculated on revenues from contracts with customers excluding other income.

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Key Financial Highlights — Balance Sheet

YTD 30/09 (€m)	YTD Sep 2019A	YTD Sep 2020A
Property Plant & Equipment	46,6	67,3
Intangible Assets	99,8	94,5
Right of use	10,3	8,8
Financial Fixed Assets	0,4	0,9
Net Fixed Assets	157,2	171,4
Inventories	31,5	46,0
Trade Receivables	35,2	66,1
Trade Payables	(13,2)	(31,9)
Trade Working Capital	53,5	80,2
Other Current Assets / (Liabilities)	(9,8)	(22,9)
Net Working Capital	43,6	57,3
Other Assets / (Liabilities)	0,8	0,7
Funds and Provisions	(4,2)	(4,3)
Net Invested Capital	197,4	225,2
Shareholders' Equity	94,2	224,0
Financial Debt	114,7	78,1
Lease Liabilities	10,8	9,1
(Cash & cash equivalents ¹)	(22,4)	(86,0)
Net Financial Indebtedness	103,1	1,2
<i>Net Financial Indebtedness / Adjusted LTM EBITDA</i>	<i>n/a</i>	<i>0.1x</i>
Total Sources	197,4	225,2

¹ Includes also the item Current Financial Assets.

Key Financial Highlights — Cash Flow Statement

YTD 30/09 (€m)	YTD Sep 2020A
Adjusted EBITDA	104,1
Taxes	(17,9)
Δ Net Working Capital	(13,9)
Net Capex (incl. Financial assets)	(35,9)
Operating Cash Flow	36,4
Net financial results	(2,9)
Extraordinary items	(5,6)
Δ Funds and provisions	0,1
Δ Equity	74,0
Change in net debt	101,9

Basis of preparation of financials

- Financial Overview slides present consolidated and division financial information of GVS S.p.A. and its reporting units
- The financial information has been prepared in accordance to IFRS
- Due to rounding, numbers expressed in millions throughout this section may differ from those expressed precisely to the totals
- EBITDA is defined as the sum of net income, taxes, net financial expenses, depreciation and amortization and net impairment losses on financial assets